

ISABELLA STEWART GARDNER
MUSEUM

BOSTON, MASSACHUSETTS



SECOND ANNUAL REPORT

1926



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Isabella Stuart Gardner

Isabella Stewart Gardner Museum

BOSTON, MASSACHUSETTS

Annual Report

for the Year ending
September 30th, 1926



BOSTON, MASSACHUSETTS

1926

Commonwealth of Massachusetts

Be it known *That whereas* John Chipman Gray, Isabella Stewart Gardner, Henry Walton Swift, Harold Jefferson Coolidge, Charles L. Pierson, Willard Thomas Sears, and William Amory Gardner have associated themselves with the intention of forming a corporation under the name of

THE ISABELLA STEWART GARDNER MUSEUM
IN THE FENWAY, INCORPORATED

for the purpose of art education, especially by the public exhibition of works of art, with a capital of Fifty Thousand Dollars, and have complied with the provisions of the Statutes of the Commonwealth in such case made and provided, as appears from the certificate of the President, Treasurer, Secretary and Director of the said Corporation, duly approved by the Commissioner of Corporations and recorded in this office:

Now, Therefore, I, William M. Olin, Secretary of the Commonwealth of Massachusetts, **Do hereby Certify** that said John Chipman Gray, Isabella Stewart Gardner, Henry Walton Swift, Harold Jefferson Coolidge, Charles L. Pierson, Willard Thomas Sears, and William Amory Gardner, their associates and successors, are legally organized and established as and are hereby made an existing corporation under the name of

THE ISABELLA STEWART GARDNER MUSEUM
IN THE FENWAY, INCORPORATED

with the powers, rights, and privileges, and subject to the limitations, duties and restrictions which by law appertain thereto.

Witness my official signature hereunto subscribed, and the seal of the Commonwealth of Massachusetts hereunto affixed this nineteenth day of December in the year of our Lord one thousand nine hundred.

[Seal]

WM. M. OLIN
Secretary of the Commonwealth

Commonwealth of Massachusetts

Acts of 1925 — Chapter 198

An Act to authorize THE ISABELLA STEWART GARDNER MUSEUM IN THE FENWAY, INCORPORATED, to hold additional real and personal estate and for other purposes.

Be it enacted, etc., as follows:

THE ISABELLA STEWART GARDNER MUSEUM IN THE FENWAY, INCORPORATED, a charitable institution organized under the general laws relating to charitable corporations, may hold real and personal estate to an amount not exceeding eight million dollars, including the amount it is already authorized to hold by section nine of chapter one hundred and eighty of the general laws, which estate shall be devoted to the purposes of said institution, as provided in said section nine, so that through its agency may be carried on the endowed museum given under the will of Isabella Stewart Gardner for the education and enjoyment of the public forever.

Approved March 30, 1925.

ABSTRACT OF THE WILL AND CODICIL
OF
ISABELLA STEWART GARDNER

Dated May 9, 1921: Probated July 23, 1924

THIRD: 1. To Harold J. Coolidge, Grafton D. Cushing, William C. Endicott, Francis L. Higginson, Jr., and Arthur F. Johnson, all of Boston, and to said Arthur Pope, and to Henry D. Sleeper of Gloucester, and the survivors and survivor of them, and the heirs of the survivor, I devise all the land which I own in Boston, and especially the land comprising my estate known as Fenway Court, and my land adjacent thereto, situated on the Fenway, the Tremont entrance to the Fenway Park, and Worthington Street, which tract includes the lots conveyed to me by deeds of Augustus P. Loring, dated January 31, 1899, and June 13, 1899, recorded with Suffolk Deeds, *Lib.* 2620, *Fol.* 107 and 109; deed of Moses Williams *et al.*, Trustees, dated February 26, 1900, recorded with Suffolk Deeds, *Lib.* 2667, *Fol.* 306; deed of Henry M. White, dated January 1, 1901, recorded with Suffolk Deeds, *Lib.* 2728, *Fol.* 25; deed of Moses Williams *et al.*, Trustees, dated June 16, 1906, recorded with Suffolk Deeds, *Lib.* 3136, *Fol.* 170; deed of Paul and Rachel S. Thorndike, acknowledged March 22, 1907, and recorded with Suffolk Deeds, *Lib.* 3197, *Fol.* 493; deed of Charles Paine, dated November 20, 1911, and recorded with Suffolk Deeds, *Lib.* 3589, *Fol.* 232, and deed of Moses Williams *et al.*, Trustees, dated January 8, 1913, and recorded with Suffolk Deeds, *Lib.* 3700, *Fol.* 631, with the buildings thereon, and I also bequeath to the said Coolidge, Cushing, Endicott, Higginson, Johnson, Pope and Sleeper, and the survivors and survivor of them, and the

representatives of the survivor, all my interest in the pictures, statuary, works of art, bric-a-brac, furniture, books and papers, contained at my death in all the stories of the main building of said Fenway Court other than the fourth story and the attic, and also in or upon the grounds adjoining said building, and all such articles as are above mentioned wherever situated intended or destined to be contained in those stories other than the fourth story and the attic, including all the property in which I own the beneficial interest through my ownership of all the shares of the Isabella Stewart Gardner Museum in the Fenway, Incorporated, all the aforesaid real and personal property to be held by said Coolidge, Cushing, Endicott, Higginson, Johnson, Pope and Sleeper, in trust as a Museum for the education and enjoyment of the public forever, but no works of art shall be placed therein for exhibition other than such as I, or the Isabella Stewart Gardner Museum in the Fenway, Incorporated, own or have contracted for at my death. And I direct that, if any question arises as to what is intended or destined for said stories other than the fourth story and the attic, the judgment of my Executors or Executor shall be final.

2. Whereas in the foregoing paragraph I have bequeathed all my interest in certain personal property, and whereas the legal title to it or to a portion of it is in the Isabella Stewart Gardner Museum in the Fenway, Incorporated, and whereas it is my intention that all the property of the Isabella Stewart Gardner Museum in the Fenway, Incorporated, shall be and remain in the Museum established under this will, now, therefore, I give and bequeath all my shares in the Isabella Stewart Gardner Museum in the Fenway, Incorporated, to said Coolidge, Cushing, Endicott, Higginson, Johnson, Pope and Sleeper, to be held in trust

for the purposes of the Museum established under this will, I hereby directing the Trustees so to hold and manage said shares that all the property of the Isabella Stewart Gardner Museum in the Fenway, Incorporated, shall be and remain forever in the Museum established under this will subject to all the provisions of this will relating to the Museum so established. And I authorize the said Trustees, as the holders of all the shares of the Isabella Stewart Gardner Museum in the Fenway, Incorporated, to procure its dissolution, and the transfer and delivery of all its property to them as Trustees to be held in trust for the purposes of the Museum established under this will in accordance with all the provisions of this will relating to said Museum.

3. I also give to the said Coolidge, Cushing, Endicott, Higginson, Johnson, Pope and Sleeper, and the survivors and survivor of them, and the representatives of the survivor, the sum of one million two hundred thousand dollars (\$1,200,000) in trust to apply the income of it to maintain the Museum established under this will in accordance with all the provisions of this will.

THE FIRST MEETING OF THE TRUSTEES
OF THE
ISABELLA STEWART GARDNER MUSEUM

October 6, 1924

THE first meeting of the Trustees of the Isabella Stewart Gardner Museum (appointed under the will of Isabella Stewart Gardner, May 9, 1921) was held this day at Fenway Court in the City of Boston, Commonwealth of Massachusetts, at 2.30 in the afternoon.

Present: Messrs. Harold J. Coolidge, Grafton D. Cushing, William C. Endicott, Francis L. Higginson, Jr., Arthur F. Johnson, Arthur Pope and Henry D. Sleeper, they being all of the Trustees of the Isabella Stewart Gardner Museum.

The meeting was called to order by Harold J. Coolidge, who presided.

Arthur F. Johnson submitted the following rules providing for the organization and further guidance of the Trustees, which were read aloud and discussed section by section:

RULES OF THE TRUSTEES OF THE
ISABELLA STEWART GARDNER MUSEUM

I.

Meetings

An annual meeting of the Trustees shall be held some time in the month of October or November, and the President shall call at least three other meetings of the Trustees during each year. Further meetings shall be held at any time upon the call of the President or upon the request in

writing of any two or more Trustees, notice of all meetings, stating in general terms their purpose, to be mailed at least twenty-four hours beforehand to the last known address of each Trustee. Notice of meetings may be waived.

II.

Officers—Executive Committee

1. The officers shall be a President, a Vice-President, and a Treasurer-Secretary who shall be elected at a meeting of the Trustees and hold office until their successors are duly chosen. They may be paid such compensation for their services as the Trustees may determine.*

2. There shall be an Executive Committee composed of the three above-named officers and one other Trustee appointed by the President to serve for a term of six months. Every Trustee not an officer shall have the opportunity to serve at least once in two years. The President may fill temporary vacancies.†

3. The Trustees shall each year appoint an auditor to examine and audit the Treasurer's accounts.

* Amended February 17, 1936, to read as follows:

Article II, Paragraph 1.—1. The officers shall be a President, a Vice-President, a Treasurer and a Secretary, who shall be elected at a meeting of the Trustees and hold office until their successors are duly chosen. They may be paid such compensation for their services as the Trustees may determine.

† Amended November 22, 1928, to read as follows:

Article II, Paragraph 2.—There shall be an Executive Committee composed of the President and Treasurer and two other Trustees appointed by the President.

Amended November 19, 1930, to read as follows:

Article II, Paragraph 2.—There shall be an Executive Committee composed of the President and Treasurer and one other Trustee to be appointed by the President, and such Executive Committee shall have all the powers conferred on the Executive Committee by Article V of the said Rules of the Trustees, and in cases where the action of four Trustees is necessary, said Executive Committee shall be empowered to act *with the concurrence of any other member of the Board of Trustees who may be available.*

III.

President—Vice President

1. The President shall be the general executive officer of the Trustees, shall preside at all meetings, and, with the Treasurer, shall be responsible for the carrying out of the measures and policies decided upon by the Trustees and the Executive Committee. He shall submit an annual report to the Trustees which shall include the annual report of the Treasurer and of the Director of the Museum.

2. In his absence his powers and duties shall devolve upon the Vice-President.

IV.

*Treasurer-Secretary**

1. The Treasurer, if required by vote of the Trustees, shall give bond for the faithful discharge of his duties in such sum as the Trustees direct, with surety approved by them, and the premium paid such surety shall be treated as an expense of administration.

2. The Treasurer shall, *subject to the Executive Committee and in co-operation with the President*, have charge of the ordinary business of the Trustees and be their secretary and general business agent, carrying out their policies, financial and otherwise, having custody of their funds, keeping their books and records, making and receiving payments, and receipting for the same, making contracts, superintending repairs and improvements, and acting as their representative in relation to the Director and the employees and the business of the Museum. He shall at each annual

* Amended February 17, 1936, so that the heading shall read:

IV.

Treasurer and Secretary

meeting submit a statement in detail of his receipts and expenditures for the year ending with the first day of October next preceding, and also of the various securities in which the funds are invested. His books and accounts shall be open at all times upon request to the inspection of any of the Trustees.*

V.

Executive Committee

The Executive Committee shall have general charge and direction of the finances of the Trustees, *and shall be their responsible managing Board*, deciding all questions as to change of investments, detail of management, direction of officers and employees, and all other questions except those of major general policy, which latter shall be decided by vote of the Trustees.

VI.

Amendments

These Rules may be amended by vote of four Trustees at a meeting duly notified.

* Amended February 17, 1936, so that the paragraph shall read as follows:

2. The Treasurer shall, *subject to the Executive Committee and in co-operation with the President*, have charge of the ordinary business of the Trustees and be their general business agent, carrying out their policies, financial and otherwise, having custody of their funds, keeping their books, making and receiving payments, and receipting for the same, making contracts, superintending repairs and improvements, and acting as their representative in relation to the Director and the employees and the business of the Museum. He shall at each annual meeting submit a statement in detail of his receipts and expenditures for the year ending with the first of October next preceding, and also of the various securities in which the funds are invested. His books and accounts shall be open at all times upon request to the inspection of any of the Trustees.

The following paragraph was also added:

3. It shall be the duty of the Secretary to keep a record of the meetings of the Trustees, which record shall at all times be open to the inspection of the Trustees.

On motion duly seconded it was

VOTED: that the foregoing Rules read at this meeting be and the same hereby are adopted as the Rules of the Trustees of the Isabella Stewart Gardner Museum.

On motion duly seconded it was also

VOTED: to proceed to ballot for the following officers: President, Vice-President, and Treasurer-Secretary.

A ballot was taken upon each office and the following officers were elected and so declared:

<i>President</i>	HAROLD J. COOLIDGE
<i>Vice-President</i>	WILLIAM C. ENDICOTT
<i>Treasurer-Secretary</i>	ARTHUR F. JOHNSON

REPORT OF THE PRESIDENT



GENTLEMEN:

As in my first report, I shall refer to the reports of the Director and Treasurer, submitted herewith, for details of the operation of the Museum, and the accounts of the Trustees during the past year, and confine myself to a very brief summary of what has been accomplished during that time, and what so far as we can see them, are the main problems ahead of us.

Of course the first full year of operation of an institution of this sort—novel in our own experience, and I think in the experience of any group of men charged with a public trust—has had to consist of a series of tentative steps, each tried out carefully and slowly, to ascertain the maximum of public usefulness which can be obtained, under existing conditions and restrictions, from our marvellous equipment and ample endowment.

This process will be a continuing one throughout the life of the Museum, for our first year and a half of experience have given us every reason to believe that with intelligent direction the Museum can, without any violation of the intentions of the Founder but rather in furtherance thereof, become yearly of increasing value in fulfilling its trust for “the education and enjoyment of the public forever.” In speaking of the “public,” I do not limit myself to the public of Boston, or Massachusetts, which necessarily provides the great majority of those who actually visit Fenway Court—nor even the national public of this country—but I refer to that larger public all over the civilized world, which can benefit from what we have to offer. Our short experience has already shown that we are in no sense a local institution,

and that our duties can extend far beyond the obvious primary one of exhibiting our collection on a given number of stated days in each week, to those who are minded to come and see them.

I will take up first the mere matter of attendance. As the Director's figures show, the Museum has been visited by over fifty-eight thousand persons during the year, of whom more than forty thousand came on the free days. Although the figures do not show an unvarying tendency to increase, since our first opening a year and a half ago, they have not, after the first excitement of novelty was over, shown any such marked falling off as would indicate an exhaustion of public interest; and the quality of that interest has steadily improved. By this I mean that the people who visit the Museum today appear to do so with a far more intelligent purpose than when it was first opened—and the record of the sale of catalogues as well as of the paid admissions, offers a very fair index of what our visitors come for. Without doubt the beauty of the flowers in the court and garden draw many who are not primarily interested in art; but I think the interest of those who are—which it should be our first object to stimulate—is not lessened, but noticeably increased, by the way that plants and flowers have been used to supplement, and not to supplant, the artistic beauty of the collections. A further satisfaction comes from the evidence that we have almost daily, of the increasing recognition of the importance of the Gardner Museum, by those best qualified to judge, both in America and Europe.

If we have had a good year in the matter of attendance, the financial one has been no less so. Changes of investment as shown in the Treasurer's report have netted us a gain of over \$150,000 for our endowment, and our total income for the year has been over \$200,000, of which approximately

\$187,000 came from investments and \$13,000 from admissions and the sale of catalogues. This leaves us with a surplus income of \$81,000, after wiping out last year's deficit of \$7,800, and suggests—perhaps prematurely—the questions which we shall have to face at the end of our first five-year period as to the disposal of surplus income. In the meantime I recommend the establishment of an independent surplus fund—to be invested in the discretion of the Executive Committee—and that at the end of each year the then ascertained operating surplus of Museum income, shall be added to such surplus fund.

During the period of five years while this fund is accumulating—at the end of which time the Director and the Trustees are called upon to determine what part of any such accumulation is not needed for the purposes of the Museum—there seems to me to exist a clear underlying purpose which should be borne constantly in mind both by the Director and ourselves. The Director's duties are to carry on the Museum under the very broad powers and discretions given him by the Founder. The Trustees are to satisfy themselves, constantly and continually, that the funds are being used under the limitations of Mrs. Gardner's will, for the "education and enjoyment of the public forever." It is this broad purpose which opens to ourselves and to our successors, and to the Director and succeeding Directors, a vista of the work that may be done in the future. In short, we cannot allow ourselves to think of the Museum as a completed whole, or a closed book, for it would then be nothing but a mausoleum; whereas our mandate is that it shall be a vital force continuing and if possible growing in public usefulness. The far-seeing limitations placed on our powers must never lead us into the thought that with the starting of the Museum along certain lines, the

work is done. The Gardner Museum is today very much alive, and should, and can, grow more so year by year. The results obtained thus far are due mainly to our Director. His work has been untiringly faithful, intelligent, and effective. He has surmounted the initial difficulties one by one with much patience and wisdom, and is constantly alive to the possibilities of the future, while adhering rigidly to his obligations under the Will. I can say no more than that his work has been wholly admirable, and I believe we all appreciate it.

On April 14th of last year the Trustees passed the following vote:

That the Executive Committee have prepared preliminary plans and estimates for the erection of a greenhouse on the unoccupied land belonging to the Trustees in the rear of Fenway Court, and they are authorized to employ such architects, and engineering and horticultural experts, as may be necessary for a thorough study of the question, and to take any steps, legal or otherwise, and make any agreements which may be advisable, in relocating, if necessary, the unaccepted street across said land.

We have no definite recommendation yet to make on this matter, for neither Mr. Carter nor I feel that the time has come to take it up. Our Brookline greenhouse at present fulfills all our needs, and will do so for some time. It is still an experiment, however, and whether it should be accepted as a permanent solution of this part of our problem is not clear. I do feel, however, that the time has come to take up the question of the possible abolition or relocation of the unaccepted street which crosses the land from the Parkway to Worthington Street, and the enclosure of such parts as we are not obliged to keep open to public traffic. The matter is a delicate one for obvious reasons, but it is being looked into with a view to learning our exact legal rights,

and deciding what action we can take without incurring undesirable public hostility. On these points we shall be able to report further at a later date.

Other matters of major interest, which are dealt with more fully in Mr. Carter's report, are the progress that has been made in the work on the catalogue, and the very satisfactory arrangement with Mr. Hendy of the Wallace Collection for taking charge of the bulk of this work; the extraordinary results achieved by Mr. Thompson's work in cleaning some of our more important paintings; the very much improved photographs which Mr. Marr has been able to produce with the new photographic apparatus installed by the Trustees; the unexpected and increasing demand for catalogues on the free days; the opening of the garden to the public on paying days in the spring and summer—all being developments in the right direction. Some setbacks, disappointments, and adverse criticism we have had undoubtedly, and there will be more to come in the future, for the conditions of Mrs. Gardner's will and the demands of twentieth-century America are not always easily reconciled; but so far such annoyances have been trivial in comparison with the value of the real results which this report has tried to outline.

Before closing, I want to repeat a few lines from my last report:

Placed as we are, we cannot be too watchful, and it is with this thought in mind, and the further thought of the protection it affords to the Director's time, that I believe strongly in a strict adherence to the rule which the Trustees have already laid down—that except on open days, no persons other than those whom Mr. Carter himself may have arranged for, shall be allowed to visit the Museum, unless actually accompanied by one of the Trustees.

Further experience has shown that this rule has been of very real help to the Director in his work, and often to the Trustees themselves, and I urge upon all of us a continued close adherence to the letter as well as the spirit of the restriction.

To conclude, I should say that the past year has been a very successful one—tranquil and yet stimulating. We are too young yet to be sure of our future; but the co-operation and intèrest which we have met with in every direction, both from our own officers and employees and from those outside, give us every encouragement. For your share in it all I wish to thank you gentlemen.

HAROLD JEFFERSON COOLIDGE

REPORT OF THE DIRECTOR OF THE MUSEUM



During the first part of the year covered by this report, I was in Europe, where by the courtesy of the Trustees I was privileged to spend a little over two months visiting a few of the museums in England, Paris, and Spain. It was a great pleasure to see certain pictures and other works of art closely related to those in Fenway Court, and to observe museum methods. My trip had one important result: at the Wallace Collection, I heard two lectures by Philip Hendy, the Assistant to the Curator, who is at the present time engaged on a revised edition of the catalogue of paintings in that collection. As that catalogue is so excellent, and as Mr. Hendy's lectures revealed so scholarly a mind, I reported on my return that we should be fortunate if Mr. Hendy could be persuaded to undertake the preparation of the catalogue raisonné of our pictures. At the suggestion of our President, I wrote to ask Mr. Hendy if the task would interest him. Brief negotiations resulted in his coming to Boston toward the end of March and making an agreement to undertake the catalogue, a piece of work for which he expresses great enthusiasm. Owing to his obligations to the Wallace Collection, he cannot begin our work till the end of February or the beginning of March, 1927, and he expects that about two years will be required to complete it. Most of the work must be done in Europe, where the libraries of the Victoria and Albert Museum and of the Doucet Collection in Paris offer facilities for historical research not available here.

In connection with the preparation of the catalogue, it became imperative that the pictures should be in the best

condition possible. During the year, Mr. Herbert E. Thompson, in addition to his general supervision of the pictures, has thoroughly cleaned nine, among them the Botticelli Madonna and Botticelli's Death of Lucretia, Ruben's Portrait of the Earl of Arundel, the Head of a Boy by Lorenzo di Credi, the Portrait of a Lady by Tintoretto, Pope Innocent X by Velazquez, and the Portrait of Anne of Austria and her daughter, attributed to Coello.

With the permission of the Museum of Fine Arts, Mr. Kojiro Tomita was engaged to catalogue the Chinese and Japanese objects in the collection. Only a few are significant, but an accurate, descriptive list of all seemed desirable. Mr. Cordingley continues to work at the catalogue of furniture, and I hope presently to find some one to catalogue the textiles. The repairs to the tapestry representing the story of Jezebel have been finished, the appearance of the tapestry is much improved, and it can now be preserved indefinitely. The success of the work on this tapestry makes it obvious that the small one illustrating popular proverbs should be similarly treated, and eventually several others must be mended and lined.

The greenhouse has been a source of great satisfaction; after getting well under way in the early winter, a profusion of flowering plants was supplied until the middle of June. In the spring our agreement with Mr. George Peabody Gardner, Jr., by which we had the use of one greenhouse on his estate and half the time of his foreman, Mr. William Thatcher, came to an end. As Mr. Thatcher during Mrs. Gardner's lifetime had supplied all the flowers for Fenway Court, and as the quality of his devotion was well-known to us all, the termination of his services was a source of genuine regret.

The record of attendance and sale of catalogues is as follows:

Oct. 1, 1925-Sept. 30, 1926 (12 months, 1 month closed)	
Attendance: Pay days, 17,898; Sundays, 40,736; Total, 58,634	
Number of catalogues sold	7,759
Total receipts from admissions and catalogues	\$10,222.75

A comparison of the statistics for attendance from the middle of February to the end of July in 1925 and 1926 shows that in our second season the attendance, both on Sundays and on pay days, was approximately two-thirds of the attendance during the first season.

Wednesday, November 4th, was called "Sargent Day," and in connection with the Sargent Memorial Exhibition at the Museum of Fine Arts, Fenway Court was open free from ten to four to the guests of the Museum of Fine Arts upon presentation of tickets issued by that museum. Our attendance was 1,268.

Beginning on August 29, 1926, when the Museum reopened for the current season, Saturday was substituted for Friday as a pay day, and the open hours on week days were extended so that they now are from ten to four, except from November 1st to March 1st when they remain as before, ten to three.

Experience has seemed to prove that we did not need as many guards as we started with, and as individual guards have conveniently resigned, their places have not been filled. Instead of the original nineteen guards, we now have fourteen on week days and sixteen on Sundays.

We are fortunate in the loyalty shown by all our staff; our equipment is improved, and now that the first flush of local curiosity has faded, I think we may feel that we can gauge approximately the permanent attraction of the Museum. We start the new season with enthusiasm and a strengthened conviction of the value of our institution.

MORRIS CARTER

REPORT OF THE AUDITOR SUBMITTED BY THE TREASURER



PRICE, WATERHOUSE & CO.
60 STATE STREET
BOSTON

November 18, 1926

*To the Trustees of the Isabella Stewart Gardner Museum,
Boston, Massachusetts*

DEAR SIRs:

In accordance with instructions received and in continuation of our previous audit, we have examined the books and records of the Isabella Stewart Gardner Museum for the year ending September 30, 1926, and submit herewith the following exhibits: Balance sheet September 30, 1926; Condensed statement of income received and expenditures for the year ending September 30, 1926.

Our examination consisted of a verification of (1) securities on hand and cash balances as of September 30, 1926, and (2) cash receipts and expenditures for the year ending September 30, 1926.

The securities as shown by the books of the Trustees were counted by us on November 17th and reconciled with the balances at September 30th by reference to brokers' advices covering purchases and sales since that date. As a result of our examination, we find that the books have been accurately kept, and that the Treasurer's report is in accordance therewith.

In the statements annexed hereto certain minor changes as to reclassification have been made and the following corrections, which are referred to in the notes at the bottom of page eight of the Treasurer's report:

Reduction of income by amount of dividend on General Electric Co. common stock received October 15, 1925, but payable to stockholders of record September 3, 1925, prior to the date of transfer by Executors to Trustees	\$782.00
<i>Less</i> —Dividend paid by Homestake Mining Company September 25, 1925, and proceeds of sale of fractional share of General Electric Co. special stock July 15, 1926, received by the Executors and to be credited to the Trustees	154.56
	<hr/>
Net reduction of income	\$627.44

The Principal Fund has increased during the year by the amount of the net profit on the sale of securities, \$154,781.26. It is suggested that this amount be carried separately on the books in order that any subsequent losses may be applied there-against without appearing to reduce the original principal amount.

The income for the period exceeded the expenditures by \$88,220.26, and after deducting the deficit carried forward for the preceding period there is a balance in the income account of \$80,381.90.

The accounts are kept on a cash receipts and disbursements basis and the annexed statements, in our opinion, fairly reflect the position of the fund on this basis as of September 30, 1926, and the receipts and expenditures for the year.

Yours very truly,
PRICE, WATERHOUSE & Co.

ISABELLA STEWART GARDNER MUSEUM BALANCE SHEET

September 30, 1926

ASSETS

Investment assets:

Securities at market value at date
of receipt by Trustees plus ad-
ditions at cost:

Bonds	\$1,446,564.75
Stocks	2,321,256.41
Investment in the Massachu- setts Hospital Life Insurance Company	100,000.00

\$3,867,821.16

Principal cash

422.25

\$ 3,868,243.41

Fixed assets:

Museum land and building, in-
cluding fixtures at appraised
values

\$ 452,900.00

5,000 shares of the Isabella Stew-
art Gardner Museum of the
Fenway, Inc., representing con-
tents of building—at appraised
values

6,264,187.50

Lot and greenhouse—at cost

20,629.42

6,737,716.92

Current assets:

Cash

80,381.90

\$10,686,342.23

LIABILITIES

<i>Principal fund</i>		\$10,605,960.33
<i>Income account:</i>		
Excess of income received over expenditures for the year end- ing September 30, 1926, as per statement annexed	\$ 88,220.26	
Less—Deficit at September 30, 1925	7,838.36	
	<hr/>	80,381.90
		<hr/>
		\$10,686,342.23

STATEMENT OF INCOME RECEIVED AND EXPENDITURES

For the year ending September 30, 1926

Income received:

Dividends on stocks	\$132,544.09
Interest on bonds	47,459.55
Interest on deposit in Massachusetts Life Insurance Company	2,734.26
Interest on bank balances	3,506.63
Admittance fees to Museum	8,231.50
Sale of catalogues of Museum	1,918.75
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Total income received	\$196,394.78

Expenditures:

Current operating expenses—Museum:

Salaries and wages	\$50,222.90	
Plants, flowers and greenhouse expense	10,716.45	
Repairs	7,306.39	
Fuel, gas, electricity and water	4,365.97	
Insurance	563.80	
Supplies	5,272.56	
Office expenses and telephone	559.71	
Catalogues	825.84	
Sundry operating expenses	5,386.99	
	<hr/>	\$ 85,220.61

General and administrative expenses:

Salaries of officers	\$ 9,500.00	
Office salaries	2,569.99	
Trustees' fees	400.00	
Rent of office	500.00	
Rent of safe deposit box	106.67	
Auditing and legal expense	810.00	
	<hr/>	13,886.66

<i>Carried forward</i>	<hr/>	\$ 99,107.27
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Brought forward

\$ 99,107.27

Non-recurring expenditures:

New sewer \$ 385.00

Grading—Fenway Court grounds 352.25

New granolithic walk 3,055.35

Wiring shed 244.25

Installation ash hoist and track 395.00

Installation telephone system at Fenway Court 623.25

Finishing and installation of kitchen ventilating system 396.00

Installation of photographic equipment 1,274.20

New fence in garden 198.00

Internal revenue taxes on gains and losses for the years 1920-1921, Trustees under the Will of John L. Gardner 1,373.80

Philip Hendy, traveling expenses in connection with new catalogue 770.15

9,067.25

Total expenditures

\$108,174.52

Excess of income received over expenditures carried to balance sheet

\$ 88,220.26

ARTHUR FRANKLIN JOHNSON, *Treasurer*

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